

REPORT  
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DEVELOPMENT OF SOVIET TRADE DURING THE FIFTH FIVE-YEAR PLAN

The directives of the 19th Party Congress for the Fifth Five-Year Plan contemplate a considerable increase in the production of consumers' goods. The output of the light and food industries will increase by not less than 70 percent, and that of enterprises of local and cooperative industry, by approximately 60 percent. The contemplated production increases in 1955 over 1950 will be as follows: granulated sugar, approximately 78 percent; meat, 92 percent; fish, 58 percent; butter, 72 percent; vegetable oil, 77 percent; canned goods, 110 percent; cotton fabrics, 61 percent; woolen fabrics, 54 percent; and leather footwear, 55 percent.

Such an increase in production of the most important food and industrial commodities will require an expansion and better utilization of the available productive capacity of the light and food industries, and a more complete utilization of industrial reserves.

The primary task of socialist agriculture is to increase production of food commodities. Kolkhozes and sovkhozes must also insure a constant increase in the production of agricultural raw materials such as cotton, flax, wool, etc.

The enterprises of the machine-building, wood-processing, chemical, and other branches of industry are to play an important and ever-growing role in the production of consumers' goods. The Fifth Five-Year Plan provides for increased output of luxury and household goods such as radio receivers, television sets, furniture, clocks, washing machines, vacuum cleaners, home refrigerators, bicycles, motor-cycles, and many similar items.

Local industry and industrial cooperatives have a very important role in the production of consumers' goods. These enterprises are producing wide assortments and considerable quantities of furniture, porcelain and pottery dishware, harness goods, beds, musical instruments, toys, and others.

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The retail commodity turnover in state and cooperative trade in 1951 - 1955 [over 1950] will increase approximately 70 percent, as follows: meat products, approximately 90 percent; fish products, 70 percent; butter, 70 percent; cheese, 100 percent; vegetable oil, 100 percent; canned vegetables, fruit, and dairy products, 150-200 percent; sugar, 100 percent; tea, 100 percent; grape wine, 100 percent; beer, 80 percent; clothing, 80 percent; cotton, woolen, silk, and linen fabrics, 70 percent; footwear, 80 percent; hosiery, 100 percent; and knitwear products, 120 percent. The sale of durable household commodities and cultural goods will be expanded to an even greater extent. For example, sales of furniture will be 3 times as great as in 1950; bicycles, 3.5 times; sewing machines, 2.4 times; metalware, 2.5 times, and home refrigerators and washing machines, several times.

The Fifth Five-Year Plan contemplates further development of public dining by expanding the network of dining rooms, restaurants, and tearooms, and by increasing the output of public eating enterprises approximately 80 percent, while considerably improving the selection. For this purpose, the work of public eating enterprises will be reorganized to increase production and sale of the basic output of dining rooms, restaurants, and tearooms, and to improve the quality of food and type of service to consumers.

The reductions of prices on consumers' goods are to be continued. As a result of the sixth reduction of state retail prices on food and industrial goods, effected 1 April 1953 in state and cooperative trade, the direct gain to the population will amount to 46 billion rubles a year, and if the reduction of kolkhoz market prices is taken into account, the total gain to the population will amount to not less than 53 billion rubles.

During the last few years, the quality of industrial and food commodities improved considerably. However, the quality and the assortment of outer clothing, footwear, and millinery which are produced by certain enterprises of the Ministry of Light Industry and the Ministry of Food Industry USSR, and by local industry and industrial cooperatives, is not meeting consumer demand.

A system of advance orders was introduced to eliminate these shortcomings. At present, it is used in the procurement of cotton and woolen fabrics, sewn goods, leather and rubber footwear, tobacco products, toiletries, toilet soap, furniture, and porcelain and faience dishware. In a comparatively short time, this system has already produced results; trade organizations have improved their study of consumer demand, and require from industry the right assortment and quality of goods. Industrial workers, in turn, have improved the assortment and quality of commodities in accordance with consumer demand.

A constant growth of consumers' goods production on the one hand, and an increase of consumer purchasing power on the other, necessitate better planning of the retail commodity turnover and commodity resources. This planning must take into account the factors which are subject to frequent fluctuations -- demand and supply, consumer taste, national and local peculiarities, and climatic conditions. This planning must also be flexible and effective.

An economic development of the retail commodity turnover by republics, krais, oblasts, and rayons presupposes a thorough study of consumer purchasing power and its changes in connection with the peculiarities of the economic development of a republic, kray, oblast, or rayon in each given year. Trade organizations and planning organs must considerably improve their economic work along these lines.

The plan for distribution of centrally allocated food commodities by oblasts, krais, and republics requires careful study of all the factors influencing the volume and structure of consumer demand -- increase in the urban and rural population, professional composition of workers (metallurgists, coal miners, petroleum workers, machinery workers, etc.), growth of consumer purchasing power, volume of deliveries of agricultural produce to kolkhoz markets, kolkhoz market prices, and the output of agricultural produce in auxiliary enterprises of ministries and departments.

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Local soviet and trade organizations must arrange for the delivery of agricultural produce to kolkhoz markets, expand over-all procurement by consumers' and industrial cooperatives of agricultural produce at procurement prices, and expand production of vegetables, potatoes, meat, and milk in auxiliary enterprises.

The correct planning of resources and organization of industrial procurement by oblasts and trade organizations is very important. Saturation of the trade network with many industrial commodities obligates the planning organs and trade organizations to analyze trade conditions for each separate commodity.

The planning of market funds and procurement of commodities by oblasts, krays, and republics requires a thorough study of the remaining commodity stocks in the trade network, the volume of sales, and the consumer demand. Any kind of automatic distribution of commodities by rayons without consideration of trade conditions leads to the formation of above-norm surpluses in some trade organizations and shortages of the same commodities in others. Many trade organizations engage in an automatic distribution of commodities to correspond with each organization's relative share in the retail commodity turnover, without regard for the actual consumer demand and sales of each separate commodity.

The most serious defect in the operations of trade organizations, besides automatic distribution of commodities, is poor management of commodity resources. Sometimes, commodities stored at bases and warehouses do not go on sale because of lack of control over commodity stocks and timely deliveries of commodities to the stores.

The number of specialized stores for the sale of food, clothing, footwear, fabrics, furniture, dishware, household goods, luxury goods, and construction materials will be increased.

In the cities of the USSR, an extensive network of stores for the sale of bread and bakery products, grocery and delicatessen goods, meat and fish products, fruits and vegetables, milk, wine and vodka products, confectionery products, fabrics, footwear, sewn goods, haberdashery, dishware and household goods, furniture, etc., is in operation. However, the network of specialized stores, especially that for the sale of commodities of a complex assortment, is still inadequate. Even in large cities and industrial centers, the specialized network for the sale of sewn products, footwear, fabrics, haberdashery, millinery, and other commodities is inadequate.

The growth of the specialized network of stores must be carried out by means of new construction and by putting into operation the ground floors of many-storied city buildings, as well as by remodeling the existing nonspecialized stores. In 1952, more than 2,000 specialized stores for the sale of fabrics, footwear, sewn goods, haberdashery, and other goods were put into operation in the system of the Ministry of Trade USSR alone. In Moscow, Leningrad, and a number of union republics and industrial centers, specialized organizations for the sale of fabrics, clothing, and footwear were set up. But all this is only a beginning of the reconstruction of the trade network which will be carried out in the Fifth Five-Year Plan. The "Mosobuv", "Mosodezhda," and other specialized stores have already won consumer confidence.

In order to raise the trade level even of the well-equipped specialized stores, training of personnel must be improved.

Soviet trade advertising methods must also be developed as an important means of further improving trade.

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Specialization of the trade network and consolidation and well-placed distribution of stores are important. Unification and consolidation of adjoining stores in Moscow showed good results, especially in stores dealing in the same type of commodities. For example, after the consolidation of various stores into "Pishchetorg" Store No 3 of Kiyevskiy Rayon, the retail commodity turnover was increased, and the turnover and administrative expenditures were reduced.

The Fifth Five-Year Plan must reduce turnover expenditures of retail commodity trade by 23 percent. During the first 2 years of the Fifth Five-Year Plan, labor productivity in trade organizations of the Ministry of Trade USSR increased approximately 12 percent, while turnover expenditures decreased approximately 10 percent. However, many trade organizations fail to fulfill the established plan for increase of labor productivity and reduction of turnover expenditures. Some trade workers fail to meet the production norm. For example, in October 1952, 28 percent of the pieceworkers of the Ministry of Trade USSR failed to fulfill the production norm. In the meantime, 29 percent of the pieceworkers exceeded the production norm by more than 25 percent, which shows the possibility of increasing the labor productivity of trade workers.

To carry out successfully the tasks of the Fifth Five-Year Plan for reduction of turnover expenditures, it is necessary to exercise strict economy in all trade organizations, and eliminate excessive administrative expenditures. Trade organizations must also persistently reduce shipping expenditures by using their own transport facilities and making wider use of public motor transport.

The growth of the retail commodity turnover in state and cooperative trade also requires further expansion of the network of trade bases, warehouses, stores, and public eating enterprises.

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